

TEACHERS' FUND FOR RETIREMENT
A Division of ND Retirement and Investment Office
Balance Sheet
As of 1/31/2004

2/27/2004

	As of <u>1-31-04</u>	As of <u>6-30-03</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 561,622,325	\$ 475,417,195
INTERNATIONAL EQUITIES	355,391,478	293,812,409
DOMESTIC FIXED INCOME	170,095,217	150,491,883
INTERNATIONAL FIXED INCOME	62,908,466	52,857,523
REAL ESTATE	117,756,114	109,451,910
VENTURE CAPITAL	59,724,725	52,189,986
INVESTED CASH (NOTE 1)	<u>15,296,443</u>	<u>23,855,378</u>
 TOTAL INVESTMENTS	 1,342,794,768	 1,158,076,284
 RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	4,587,481	4,588,915
CONTRIBUTIONS RECEIVABLE	5,028,285	6,260,471
MISCELLANEOUS RECEIVABLE	<u>0</u>	<u>41,698</u>
 TOTAL RECEIVABLES	 9,615,766	 10,891,084
 OTHER ASSETS		
OPERATING CASH (NOTE 2)	7,160,742	7,388,155
DUE FROM OTHER AGENCIES (NOTE 3)	<u>13,453</u>	<u>0</u>
 TOTAL ASSETS	 <u>\$ 1,359,584,729</u>	 <u>\$ 1,176,355,523</u>
 LIABILITIES:		
ACCOUNTS PAYABLE	824,067	824,172
ACCRUED EXPENSES	83,230	244,481
DUE TO OTHER AGENCIES (NOTE 4)	<u>0</u>	<u>38,392</u>
 TOTAL LIABILITIES	 907,297	 1,107,045
 NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	1,175,248,478	1,165,369,565
CASH IN DURING YEAR (NOTE 5)	67,110,000	120,855,000
CASH OUT DURING YEAR (NOTE 6)	70,899,350	120,855,000
NET INCREASE (DECREASE)	<u>187,218,304</u>	<u>9,878,913</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>1,358,677,432</u>	 <u>1,175,248,478</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u>\$ 1,359,584,729</u>	 <u>\$ 1,176,355,523</u>

TEACHERS' FUND FOR RETIREMENT
A Division of ND Retirement and Investment Office
Profit and Loss Statement
For the Month Ended 1/31/2004

2/27/2004

	Month Ended <u>1-31-04</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 1,771,830	\$ 21,610,725
SECURITIES LENDING INCOME	57,340	386,391
	<u>1,829,170</u>	<u>21,997,116</u>
GAIN ON SALE OF INVESTMENTS	13,055,934	95,191,918
LOSS ON SALE OF INVESTMENTS	<u>7,822,096</u>	<u>63,525,708</u>
NET GAINS (LOSSES) INVESTMENTS	5,233,838	31,666,210
INVESTMENT EXPENSES	147,433	2,215,990
SECURITIES LENDING EXPENSES	40,559	263,463
SIB ADMINISTRATIVE EXPENSES	<u>9,699</u>	<u>67,032</u>
NET INVESTMENT INCOME	6,865,317	51,116,841
NET APPREC (DEPREC) MARKET VALUE	19,154,288	152,006,265
MISCELLANEOUS INCOME/(EXPENSE)	<u>(90,095)</u>	<u>110,351</u>
TOTAL INVESTMENT INCOME	25,929,510	203,233,457
CONTRIBUTIONS & ASSESSMENTS (NOTE 7)	5,441,154	28,235,374
PURCHASED SERVICE CREDIT (NOTE 8)	86,771	2,325,371
PENALTY & INTEREST (NOTE 9)	<u>10</u>	<u>(182)</u>
TOTAL ADDITIONS	<u>31,457,445</u>	<u>233,794,020</u>
DEDUCTIONS:		
BENEFITS PAID PARTICIPANTS (NOTE 10)	6,362,812	44,764,744
REFUNDS TO MEMBER (NOTE 11)	<u>173,314</u>	<u>1,239,994</u>
TOTAL BENEFITS PAID	6,536,126	46,004,738
ADMINISTRATIVE EXPENSES		
RIO ADMINISTRATIVE CHARGE	87,790	570,978
MISCELLANEOUS EXPENSES	<u>0</u>	<u>0</u>
TOTAL ADMINISTRATIVE EXPENSES	<u>87,790</u>	<u>570,978</u>
TOTAL DEDUCTIONS	<u>6,623,916</u>	<u>46,575,716</u>
NET INCREASE (DECREASE)	<u><u>\$ 24,833,529</u></u>	<u><u>\$ 187,218,304</u></u>

TEACHERS' FUND FOR RETIREMENT
Notes To Financial Statements
January 31, 2004

2/27/2004

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 INVESTED CASH

Pension Cash Pool invested in the short-term investment fund (STIF/STEP) at The Northern Trust Company.

NOTE 2 OPERATING CASH

TFFR money market and checking accounts at the Bank of North Dakota.

NOTE 3 DUE FROM OTHER AGENCIES

Amounts paid in anticipation of the allocation of administrative expenses of RIO.

NOTE 4 DUE TO OTHER AGENCIES

Amounts owed to RIO for administrative and direct costs charged.

NOTE 5 CASH IN DURING YEAR

Cash transferred into investment accounts at The Northern Trust Company during the current fiscal year.

NOTE 6 CASH OUT DURING YEAR

Cash transferred out of investment accounts at The Northern Trust Company during the current fiscal year.

NOTE 7 CONTRIBUTIONS & ASSESSMENTS

Assessments on teachers' salaries of 7.75 percent of salary plus a matching contribution paid by the employer unit, for a total contribution and assessment of 15.5 percent that must be remitted monthly.

NOTE 8 PURCHASED SERVICE CREDIT

Payments received on the purchase of service credit for TFFR as allowed by the North Dakota Century Code.

TEACHERS' FUND FOR RETIREMENT
Notes to Financial Statements
1/31/2004

2/27/2004

NOTE 9

PENALTY & INTEREST

Amounts charged to school districts for late payment or reporting of contributions and assessments.

NOTE 10

BENEFITS PAID TO PARTICIPANTS

Monthly annuity benefits paid to retired teachers on the first of each month.

NOTE 11

REFUND TO MEMBERS

Refunds of teachers' accounts who have ceased teaching in North Dakota.